

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6123**

**BILL NUMBER: HB 1012**

**DATE PREPARED:** Dec 3, 2000

**BILL AMENDED:**

**SUBJECT:** Grounds for Expulsion or Suspension of Students.

**FISCAL ANALYST:** David Hoppmann

**PHONE NUMBER:** 232-9559

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill removes the requirement that an activity must be unlawful before a student may be suspended or expelled for the activity.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** See Explanation of Local Revenues.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** See Explanation of Local Revenues.

**Explanation of Local Revenues:** *Analysis:* Indiana public schools could experience an increase in the number of students suspended or expelled if this new provision subjects more students to disciplinary procedures. Any additional expenditures or effect on tuition support funding would depend upon local action.

Depending on the date of expulsion with regard to the September student count for school funding formula purposes, school corporations could experience a slight decrease in school funding formula dollars. (Suspensions would not affect the school funding formula student counts due to those counts being based on enrollment.) However, since students would need to be expelled before the count date on or about September 15 of a new school year, it is not likely that expulsions would be of a significant number. In addition, school corporations would be able to keep dollars generated by the school funding formula for students expelled after the September count date.

*Relevant Data:* For the 2000 school year, Indiana's average daily membership (ADM) consisted of 951,410 students, and public school enrollment totaled 988,065. Approximately 1,900 public schools were in operation within Indiana's 294 school corporations during that time.

The following table illustrates the number of suspensions and expulsions from school years 1996-1999 (data for 2000 are not yet complete).

**Suspensions and Expulsions for School Years 1996-1999**

YEAR	SUSPENSIONS	EXPULSIONS
1999	305,767	9,263
1998	302,593	10,229
1997	306,034	9,340
1996	227,326	8,982

**State Agencies Affected:** Department of Education.

**Local Agencies Affected:** School Corporations.

**Information Sources:** Peggy Gillespie, Department of Education (317) 232-0840; DOE ORACLE Data Tables and SAS Data Sets.